

## **MEDIA RELEASE**

## CITY AT IMPASSE WITH POLICE UNION ON PENSION AND SALARY NEGOTIATIONS

## **SANTA BARBARA, CA – 8/6/2013**

After several months at the bargaining table, salary and benefit negotiations between the City of Santa Barbara and its Police Union have stalled. On July 26, the City sent a letter to the Police Union requesting them to accept the City's offer to avoid an impasse in negotiations and the Union declined that offer.

The City has asked Union members to contribute toward their escalating pension costs. The Union refuses to do so unless the City provides a salary increase to fully offset their pension contribution and additional salary and benefit increases on top of that.

Police pension benefits are generous with a police officer able to retire at age 50 with up to 98% of salary. With pension costs increasing steadily, the City will need to pay police retirement costs amounting to 50 cents for every dollar paid in salary by 2015 and an estimated 62 cents for every dollar paid in salary by 2020. The City is requesting the Police Union to pay 9 cents of this amount.

During the economic downfall, the City was forced to draw down reserves, reduce services for libraries, parks and recreation, and defer maintenance to streets and community facilities. According to City Administrator Jim Armstrong, "with revenues now recovering, funds should be used to restore public services not rising pension costs."

Police Union employees received 5.75% in salary and benefit increases over the last two years that other employees did not receive. The City has offered another 5% in salary increases over the next three years. With these increases, police officers will have received an overall 2.25% compensation increase even if they pay their share of retirement costs, under the City's latest offer.

"The City's request for the Police Union to pay the employee's share of their retirement costs is very reasonable and fair. This practice is consistent with the State's goal for all public employees to pay more toward their pensions. All other City employee groups pay part of their retirement costs," said Employee Relations Manager Kristine Schmidt.

The City Council and staff are proud of the hard work and valuable service provided by the City's police officers and sergeants. The City respectfully urges the Police Union to reconsider the City's offer toward a successful conclusion of negotiations.

More detailed information and correspondence is available on the City's website at SantaBarbaraCA.gov.

## **Quick Facts**

Police Union Staff: 115 Police Officers and 20 Sergeants

Average 2012 Salary and Overtime for Police Officer: \$99,084/year; Police Sergeant: \$130,476/year

Current Total Average Cost for a Top-Step Police Officer: \$180,830/year

Average Retirement Pension for a Police Officer Who Retired in 2010-2012: \$93,965/year; Police Sergeant: \$107,422

Unfunded Pension Obligation: Police Safety Plan \$57,133,053; Citywide \$226,284,296

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